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University of South Carolina
BOARD OF TRUSTEES

Buildings and Grounds Committee – Called Meeting

March 6, 2020

The Buildings and Grounds Committee of the University of South Carolina Board of Trustees convened in a called meeting at 1:00 p.m. on Friday, March 6, 2020, by telephone conference hosted from Room 206-B of the Osborne Administration Building.

Members participating by telephone were William C. Hubbard, Chairman; Mr. C. Dan Adams; Mr. Toney J. Lister; Mr. Miles Loadholt; Ms. Leah B. Moody; Mr. Eugene P. Warr Jr.; Mr. Thad H. Westbrook; Mr. John C. von Lehe Jr., Board Chairman; and Mr. Hubert F. Mobley, Board Vice Chairman. Mr. J. Egerton Burroughs and Dr. C. Dorn Smith III did not participate.

Other Trustees participating by telephone were Mr. A. King Dixon II; Dr. C. Edward Floyd; Mr. Richard A. Jones Jr.; Ms. Rose Buyck Newton; Dr. C. Dorn Smith II; Ms. Molly Spearman; Mr. Mack I. Whittle; and Mr. Charles H. Williams.

Also attending the meeting by telephone were Columbia Faculty Senate Chairman Marco Valtorta, Columbia Student Government President Luke Rankin, and Board of Trustees Strategic Advisor David Seaton.

Others attending the meeting in person were President Robert L. Caslen Jr; Secretary J. Cantey Heath Jr.; President and CEO, USC Foundations Jason Caskey; Chief Audit Executive Pam

Dunleavy; Executive Communications Director Sally McKay; Director of Global Carolina Allen Miller; General Counsel Terry Parham; Associate Vice President for Administration and Finance and Medical Business Affairs Jeffrey L. Perkins III; Vice President for Student Affairs Dennis A. Pruitt; Chief Operating Officer Edward L. Walton; Director of Facilities Planning and Programming and University Architect Derek S. Gruner; and Athletics Director Ray Tanner; Senior Vice President for Administration Edward L. Walton; Chief Audit Executive Pam Dunleavy; Interim Special Assistant to the President James Smith; Interim Chief Communications Officer Jeff Stensland; and Board staff members. Athletics Director Ray Tanner attended the meeting by telephone.

Mr. Stensland announced the following members of the news media that joined the meeting by telephone: Andy Shane with the *Post and Courier*, Lucas Daprile with *The State* Newspaper, Jack Bingham with the *Daily Gamecock*, and Zakita Ashroft with the *Daily Gamecock*.

I. Call to Order

Chairman Hubbard called the meeting to order, welcomed everyone and invited those at the table to introduce themselves. He stated the agenda had been posted, the press notified as required by the Freedom of Information Act, and the agenda had been circulated. Secretary Heath called the roll to confirm those participating by telephone and that a quorum was present to conduct business.

Chairman Hubbard stated there was a proposed contractual matter related to a proposed property acquisition appropriate for discussion in Executive Session. Mr. Adams moved to enter Executive Session and Mr. Warr seconded the motion. The vote was taken, and the motion carried.

The following persons were invited to remain: Trustees, President Caslen, Secretary Heath, Dr. Cooper, Mr. Rankin, Mr. Parham, Mr. Tanner, Mr. Walton, Dr. Bon, Mr. Beiger, Mr. Smith, Dr. Pruitt, Mr. Caskey, Mr. Seaton, Ms. Dunleavy, and Mr. Stensland.

Executive Session

Return to Open Session

II. Possible Property Acquisition

Chairman Hubbard said there is a proposed property acquisition contractual matter before the Buildings and Grounds Committee. He called on President Caslen to make the presentation. President Caslen said per the request of the Board of Trustees, the Administration provided an historical review of the property, a budget, and proposed uses of the property. He turned the floor over to Mr. Ed Walton for a review of those details.

Mr. Walton said the property is a 547-acre tract along the Congaree River in Richland County, South Carolina located adjacent to a 300-acre tract recently approved by the Board of Trustees for acquisition by the University. The property, currently owned by Columbia Development, LLC, is situated in a 100-year flood plain but is not in a Floodway. There are levees situated on the West boundary of the property preventing flooding from the Congaree River. A significant portion of the property is currently leased for use as farmland and 47 of the 547 acres are wetlands. There is existing water and sewer service. The USC Development Foundation (“Foundation”) entered into a contract with Columbia Venture, LLC on March 29, 2019 and exercised multiple renewal options; the current contract expires March 31, 2020. There has been an outlay of \$50,000 in nonrefundable earnest money, which would be credited against the purchase price. The proposed sale would be between Columbia Venture, LLC as

the seller and the Foundation as the purchaser at a sales price of \$2,500,000. The total cost per acre would be \$5,495. The broker commission would be paid by the seller and closing costs would be shared by the seller and purchaser. The levees have been inspected, a Phase I Environmental Site Assessment and a land survey have been conducted, the property has been appraised at \$3,290,000, and there are vertical development restrictions. The property flooded during the 2015 storm; however, the levees remained intact. Mr. Walton reviewed the Foundation's expenditures to date related to due diligence totaling \$66,009. Annual carrying cost are estimated at \$220,000. The Foundation is prepared to purchase the property contingent upon the following: the Board of Trustees agrees to repay the Foundation within 18 to 24 months (subject to approval by the State of South Carolina as required by state rules and regulations), USC covers the property with General Liability insurance coverage, USC purchases the property for a total cost of \$3,006,021 (assuming the Development Foundation holds the property for two years). Mr. Walton said this is considered a long-term business transaction with no immediate use identified. A portion of the land is currently used as farmland and can continue to be used as farmland. The land could potentially be used for passive recreation such as hiking and camping, agriculture research, and archeological research.

Chairman Hubbard called for a motion to recommend to the full Board that the University of South Carolina request the USC Development Foundation ("Foundation") purchase from Columbia Venture, LLC, on or before June 30, 2020, the 547-acre tract of land in Richland County, South Carolina (Property) for the sum of \$2,500,000, subject to the following commitments and contingencies:

1. The University agrees to seek approval from the State of South Carolina to purchase the Property from the Foundation for the sum of \$2,500,000 plus the costs incurred by the Foundation in acquiring the Property; and
2. If approved and authorized by the State of South Carolina, the University agrees to purchase the Property from the Foundation within 24 months from the date the Foundation acquires title to the Property from Columbia Venture, LLC.

Mr. Warr made the motion to recommend approval to the full Board and Mr. Westbrook seconded the motion. Chairman Hubbard called on Secretary Heath to take a roll call vote of the members of the Business and Grounds Committee. The following Committee members voted in favor of the motion: Chairman Hubbard, Mr. Adams, Mr. Loadholt, Ms. Moody, Mr. Warr, Mr. Westbrook, Mr. Mobley, and Mr. von Lehe. Mr. Lister voted against the motion. Chairman Hubbard stated the motion carries; Secretary Heath advised a meeting of the full Board would convene momentarily.

III. Adjournment

Chairman Hubbard declared the meeting adjourned at 2:00 p.m.

Respectfully submitted,

J. Cantey Heath, Jr.
Secretary